

School Nutrition Programs in North Carolina

House Select Committee
on Childhood Obesity

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Today's discussion

- ✓ Overview of school nutrition programs
- ✓ Brief “snapshot” of the history of the school nutrition program in NC
- ✓ Current school nutrition environment
- ✓ Challenges facing the school nutrition program
- ✓ Opportunities for the future

Child Nutrition Programs administered by the NCDPI

School Breakfast and Lunch Programs

- ✓ 8th largest program in the nation
- ✓ 1.8 million meals served daily
- ✓ Available to all students
enrolled in public school
- ✓ 53% of students qualify
for free or reduced price
meals (by household income)
- ✓ Governed by Federal regulations



Child Nutrition Programs administered by the NCDPI

After School Snack Program – provides snacks for students who attend after school enrichment programs

Summer Seamless Option – provides meals to students when school is out of session (summer and year-round track out periods)

Fresh Fruit and Vegetable Program – provides funds for free fresh fruits and vegetables for in-school snacks



How School Nutrition Programs Operate

Congress



US Department of Agriculture



State Education Agency/Board of Education



School District/Local Board of Education

Terminology



Reimbursable Meal – A meal that qualifies for Federal reimbursement because it meets requirements for food components or nutrients; must meet USDA nutrition standards

A la Carte items – Individual foods or beverages sold in the school cafeteria; there are no nutrition standards and no reimbursement for these items



Many ask...

What is the purpose of the Child Nutrition Program?

A nutrition program that promotes the optimal growth, development and health of students while supporting their academic success?



Many ask...

What is the purpose of the Child Nutrition Program?

A food service enterprise program housed on the school campus that generates enough money to support its operations and/or generate revenues for the district?



How did we get here?



President Harry S. Truman signs the National School Lunch Act into law on June 4, 1946

*“Today as I sign the National School Lunch Act, I feel that Congress has acted with great wisdom in providing the basis for strengthening the nation through better nutrition for our school children...I hope that all **state and local authorities will cooperate fully**...in establishing the cooperative school lunch in every possible community.”*

1946 – 1980

Child Nutrition Programs thrive

“this is the right thing to do for children”

- Educators/administrators viewed school nutrition program as part of total education program
- Nutrition education was a component of state curricula
- *“Hungry children can not learn”*
- Child Nutrition Act of 1966 – expanded and strengthened the program to include School Breakfast and Summer Meals Programs
- Funding to states increases; more funding available for high need areas

Success in the school nutrition program is measured by the ability to provide nutritious, appealing meals to students.

1981 - 1989

Massive Federal Budget Cut funding crisis closes some programs

- Program is devastated by \$1.8 billion budget cut
- Federal budget cuts proposed annually
- States struggle to keep program operational
- Schools begin to sell supplemental items
- A la carte service begins; offers relief from budget cuts
- 1987 – federal program funds restored...

1990 - 2003

Priority for the Program Shifts

- *A la carte* program is thriving; schools are making money
- Stigma associated with the “traditional meal”
- Children develop appetite for *a la carte* items
- Schools develop appetite for revenues from *a la carte* foods and beverages
- State and local funding support allocated elsewhere
- Indirect costs assessed to CN program

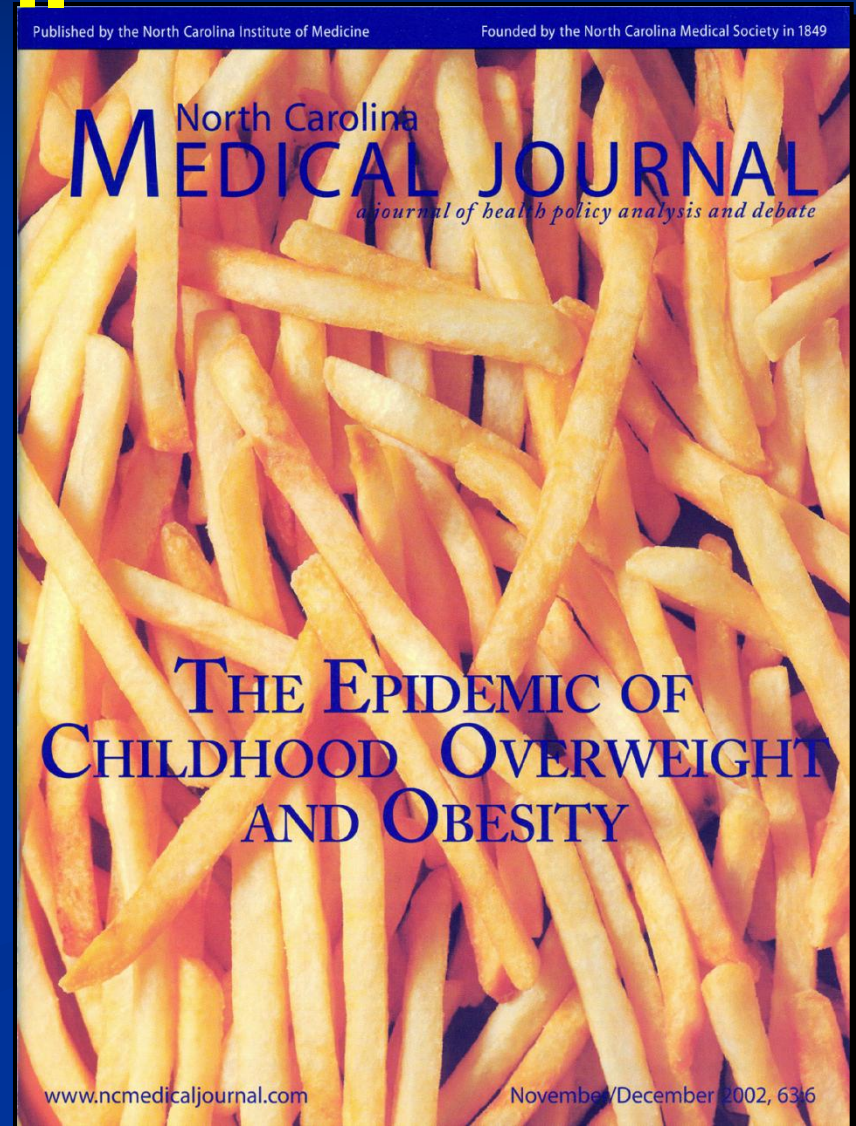
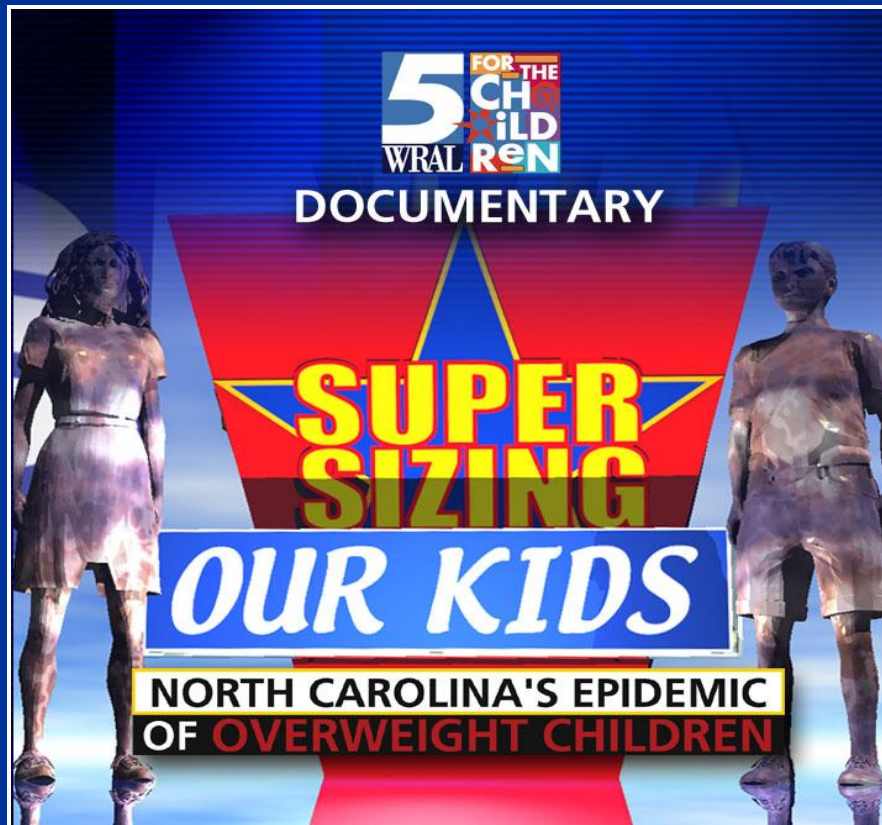
Shift in Priorities

Over the past 30 years, there has been a cultural, nutritional, operational and financial shift in priorities surrounding the school nutrition program.

In many NC school districts, the philosophy of “What is the right thing to do for children” has been replaced with the administration’s priority of “How much revenue can be generated?”

Success in the school nutrition program is often measured by its financial solvency, not high quality, nutritious meals for students.

NC has the fifth fattest student body in the nation.



It's a Fact...

Reimbursable school meals
are not the cause of the
epidemic, but schools
and School Nutrition
Programs can be part of
the solution and the
national commitment to
end childhood obesity
in this generation.

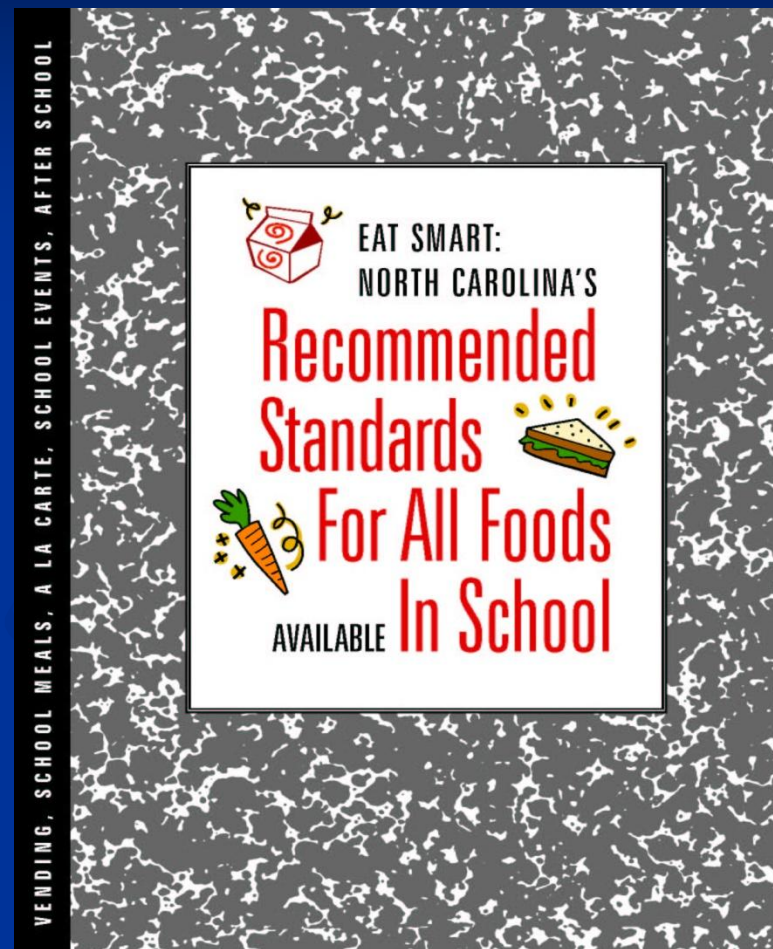


NC pilots nutrition standards

“Healthful School Food Choices Pilot Program”

(July, 20 2004)

Legislation provides \$25,000 for “no risk” pilots in eight NC LEAs in grades K – 5 for the 2004 – 2005 school year



Results of the “No-Risk Pilots”

- ✓ Food costs were higher, especially whole grains, fresh fruits and vegetables.
- ✓ Production costs were higher.
- ✓ Schools were not adequately equipped.
- ✓ Districts lost fifteen times the amount that was appropriated for the pilot in less than 5 months due to decreased *A la Carte* sales.
- ✓ The anticipated cost of implementing nutrition standards in elementary school is \$20 million annually.



NC General Statute mandated nutrition standards (G.S. 115C-264)

In October, 2006, the SBE adopted nutrition standards for elementary schools that are consistent with the *Dietary Guidelines for Americans*. All elementary schools were to comply with the nutrition standards by the end of the 2007 – 2008* school year.

In 2008, after voluntary implementation, NC schools lost collectively \$23 million.



*Time line for implementation has been extended until funding is available.

NC's School Nutrition Programs have made tremendous progress

- ✓ Achieving USDA's School Meals Initiative
- ✓ Increasing fresh fruits and vegetables
- ✓ Increasing whole grain foods
- ✓ Limiting fried foods
- ✓ Eliminating whole milk
- ✓ Limiting foods high in fat and/or sugar
- ✓ Emphasized the reimbursable meal
- ✓ Formed a state-wide purchasing alliance
- ✓ Implemented Farm-to-School Program
- ✓ 95% of elementary schools achieved nutrition standards...until they lost money



Current challenges in the School Nutrition Programs

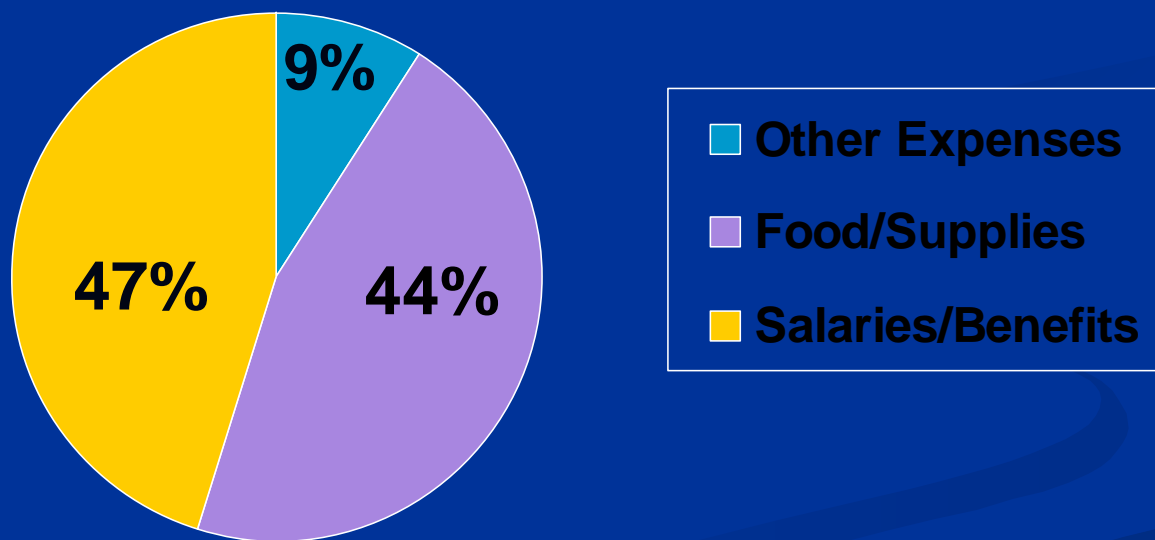
Programs expected to operate as enterprise business on the school campus and must produce revenues to cover:

- Food and supplies
- Salaries for all staff
- Benefits (health, longevity, retirement, workman's compensation)
- State-mandated pay raises
- Equipment and technology
- Indirect costs
- Other costs



Where does the money go?

Expenses in
NC's Child Nutrition Program



Operating costs are increasing

- ✓ Food Costs
- ✓ Fuel/Delivery Costs
- ✓ Service/maintenance
- ✓ Labor Costs
- ✓ Employee Benefits
- ✓ Equipment Costs
- ✓ Indirect Costs
- ✓ Other Costs



Program revenues are decreasing

- Federal Reimbursement does not cover the cost of preparing/serving the meal.
- Commodity entitlement remains limited.
- *A la Carte* sales have plummeted as less healthful foods and beverages have been replaced with more healthful options.
- There is a diminished profit margin for more healthful foods.
- There are no state or local funds to support the program.



Economics of North Carolina's School Meals Program

Example:

\$2.98 average cost to produce a school lunch

\$2.77 Federal reimbursement for “free” meal

\$.21

\$2.98 average cost to produce a school lunch

\$2.00 average cost to a paying student

\$.26 Federal reimbursement for “paid” meal

\$.72

Economics of North Carolina's School Meals Program

Example:

\$2.98	average cost to produce a school lunch
\$2.37	Federal reimbursement for “reduced price”
<u>\$.40</u>	Amount owed by student
\$.21	

But what if the child does not have the \$.40 to pay for the meal? In some districts, Board-approved meal charge policies deny meals to students who do not have money for their meals.

Meal participation drives Federal reimbursement

Breakfast participation is low

37% in Elementary School

19% in Middle School

12% in High School

Lunch Participation is moderate

77% in Elementary School

69% in Middle School

42% in High School

Philosophy versus Reality

While the philosophy suggests the school nutrition program is a program that promotes the optimal growth, development and health of students while supporting their academic success...



Philosophy versus Reality



The reality is that the program is a food service enterprise program housed on the school campus that generates enough money to support its operations and/or generate revenues for the district.

Philosophy versus Reality



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As a result of these challenges, CN Programs have been required to:

- ❖ Return to and increase the sale of high calorie (fat and sugar) foods and beverages
- ❖ Return to the sale of fried foods in elementary, middle and high schools
- ❖ Cut labor to the exclusion of meal quality and safety
- ❖ Decreased the amount of fruits and vegetables
- ❖ Considered eliminating the school breakfast program



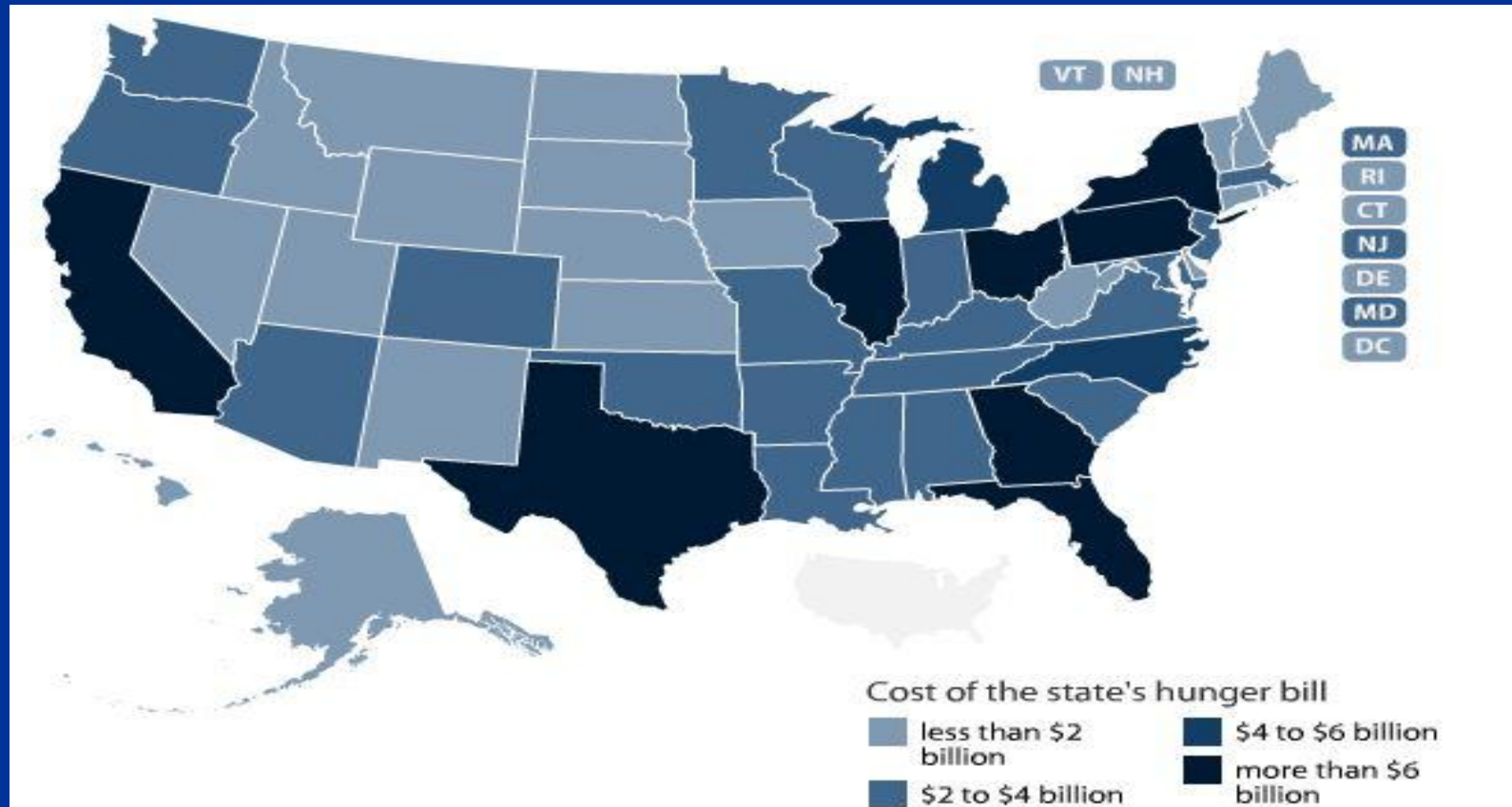
Healthy School Foods vs. Healthy School Finances

These challenges in the CN Program are NOT the result of poor program management. NC leads many states in its qualified, certified Child Nutrition Directors. Most are academically well-prepared, experienced, and competent. And most have a passion for serving the LEA to promote student's optimal growth, development and academic achievement. The time has come to re-define the criteria for a "successful" Child Nutrition Program in our state.

Healthy, Hunger Free Kids Act and USDA Proposed Meal Pattern will reshape the school nutrition program

- ✓ Increases servings of fruits, vegetables and whole grain products
- ✓ Increases the reimbursement rate for lunch meals by 6 cents
- ✓ Anticipated cost of new meal pattern 56 cents

NC has the tenth most food insecure student body in the nation.



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Photos from ABC News, Time Magazine and Share our Strength

Barriers to Optimal Nutrition Environment that supports Obesity Prevention

- ❖ Inadequate funds
- ❖ Nutrition not valued as part of the instructional day
- ❖ Limited time and/or space for students to eat meals at school
- ❖ Too little nutrition education to influence children's eating habits
- ❖ Conflicting messages
- ❖ Student taste preferences

What is the purpose of the Child Nutrition Program?

Until such time as we start measuring the success of the School Nutrition Program based on re-shaping students' waistlines instead of the bottom line



OR



it will not be possible to make huge strides in the nutritional integrity of school meals

What is the solution?

- ✓ The CN Program MUST become a nutrition program that supports the optimal health, well-being and academic success of students.
- ✓ Adequate Federal, State and local funds must be available to ensure the total school community supports healthful school meals.
- ✓ School meals must be nutritious, affordable, achievable and appealing to students.

What is the solution?

- ✓ Students must have a reasonable meal period with sufficient time to consume healthful meals and snacks.
- ✓ Nutrition education must be part of the curriculum; students must be healthy to learn and they must learn to be healthy.
- ✓ Decisions regarding foods and beverages must be based on student health and well-being, not profits.

*Thank you for your
support of healthy
school meals.*

Do you have questions?